

State of Alaska FY2003 Governor's Operating Budget

Department of Administration Lease Administration Component Budget Summary

Component: Lease Administration

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Component Mission

Provide cost effective and efficient office space for State agencies in a timely manner.

(Mission statement for this component was not provided in CH90, SLA2001).

Component Services Provided

- Procure private leased space for the use of State agencies
- Manage and administer over 324 private leases statewide
- Manage and administer use of space in privately leased and State owned facilities
- Provide space-planning recommendations
- Conduct lease rate and lease space availability market research studies
- Consolidate state owned and/or leased space when economies can be realized
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Component Goals and Strategies

PROVIDE COST EFFECTIVE MANAGEMENT OF THE STATE'S LEASE PORTFOLIO

Assure efficient use of space in State leased facilities

- Provide suitable, economical office space that meets State agency needs
- Replace, in a timely and efficient manner, expiring State leases where needed
- Implement an improved tracking system to provide better State agency customer service and response time
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Key Component Issues for FY2002 – 2003

- Obtain replacement space for leases expiring in FY2002 and FY2003.
- Deploy an automated lease tracking and projection data management system.
- Obtain new or additional space for State agencies as required.
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The following leases have expirations which require replacement during or before FY2003. If these leases are replaced the cost of a new lease may exceed the limits set in AS 36.30.080 (c), or \$500,000 per year or \$2.5 million for the life of the lease. The Current Annual Cost is the current annual lease cost of the current lease. Replacement of these leases will take place throughout the next fiscal year and the actual replacement costs are not known at the time of budget preparation. A projection of the potential total cost of the replacement leases has been included under Potential Cost of Replacement Lease w/ all Renewal Options. The actual annual and total cost of each lease will be determined by market conditions at the time of solicitation. This list shall serve as the required notification under AS 36.30.080 (c).

Lease #	Location	Agency	Current Sq Ft	Current Annual Cost	Renewal Lease Expiration w/ all Renewal Options	Potential Cost of Replacement Lease w/ all Renewal Options
N/A	Anchorage	DNR	12,500	* 0	6/30/07	\$2,925,000.00
N/A	Juneau	DHSS	3,531	\$34,787	9/30/32	\$8,100,000
N/A	Bethel	DHSS	15-20,000	* 0	10/1/02	\$10,412,320
1444	Juneau	DF&G	38,760	\$914,661.60	6/30/12	\$7,774,623.60
1935 2212	Bethel	DHSS DCED Labor	11,417	\$260,308	6/30/10	\$1,640,464
2088	Anchorage	Labor	8,932	\$269,460	7/31/02	\$3,772,440

2311	Fairbanks	DNR	11,530	\$186,818.00	4/30/13	\$3,804,900.00
2340	Anchorage	DPS	13,540	\$324,960	4/30/03	\$4,549,440
2352	Anchorage	DOA	10,764	\$172,392.67	12/14/11	\$3,390,660.00
2352	Anchorage	DOA	11,026	\$177,967.37	12/14/11	\$3,473,190.00
2371	Fairbanks	DOT/PF	14,202	\$420,000	6/30/42	\$16,800,000

* New Lease

Major Component Accomplishments in 2001

- Obtained replacement space for leases expiring in FY2001 and FY2002.
- Continued multi year task of consolidating the Department of Health and Social Services administrative offices in Anchorage.
- Continued multi year task of designing, planning, constructing and relocating the Office of the Governor, the Department of Revenue, the Department of Community and Economic Development, and the Department of Natural Resources from the Frontier Building to the Atwood Building.

Statutory and Regulatory Authority

AS 36.30.080 State Procurement Code
AS 44.21.020 (1), (5) Duties of the Department

Lease Administration

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	601.4	416.8	423.8
72000 Travel	20.3	5.0	5.0
73000 Contractual	53.9	8.8	8.8
74000 Supplies	41.7	4.2	4.2
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	717.3	434.8	441.8
Funding Sources:			
1004 General Fund Receipts	383.1	372.0	378.0
1007 Inter-Agency Receipts	331.4	62.8	63.8
1053 Investment Loss Trust Fund	2.8	0.0	0.0
Funding Totals	717.3	434.8	441.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	331.4	62.8	456.5	63.8	63.8
Investment Loss Trust Fund	51393	2.8	0.0	0.0	0.0	0.0
Restricted Total		334.2	62.8	456.5	63.8	63.8
Total Estimated Revenues		334.2	62.8	456.5	63.8	63.8

Lease Administration

Proposed Changes in Levels of Service for FY2003

None.

Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	372.0	0.0	62.8	434.8
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	6.0	0.0	1.0	7.0
FY2003 Governor	378.0	0.0	63.8	441.8

Lease Administration

Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	7	7	Annual Salaries	491,236
Part-time	0	2	COLA	10,774
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	168,609
			<i>Less 36.80% Vacancy Factor</i>	(246,777)
			Lump Sum Premium Pay	0
Totals	7	10	Total Personal Services	423,842

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	2	0	2
Accounting Tech III	0	0	1	0	1
Administrative Assistant	1	0	0	0	1
Contracting Officer III	5	0	0	0	5
State Leasing & Facilities Mgr	1	0	0	0	1
Totals	7	0	3	0	10